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THE METROPOLITAN FEDERATION:
PROPOSALS FOR RENEWAL

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TABLE OF CONTENTS

SECTION		PAGE
1.	Introduction	1
2.	Weaknesses of the Existing Structure	4
3.	Options for Restructuring Metro A. Amalgamation B. Dissolution C. A Reformed Federation (i) Areas of Jurisdiction (ii) Electoral Issues (iii) Protecting Local Interests	6
4.	Summary and Recommendations	21
5.	References	25

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1. INTRODUCTION

As of January 1, 1984, the Municipality of Metropolitan Toronto has been in existence for 30 years. Hailed as a progressive approach to planning and solving the problems of a quickly expanding metropolitan area, the Metropolitan Toronto government has been the subject of much study and experimentation in other jurisdictions.

Since its inception in 1954, however, Metropolitan Toronto has only been reviewed by the Ontario Government twice. In 1965, the report of the Royal Commission chaired by Dr. H. Carl Goldenberg was released. Many of its recommendations were adopted and implemented. In 1977, the report of the Royal Commission chaired by former Premier, the late John Robarts was released. Many of its recommendations have not been implemented and it is not likely that they will be, given the number of years that have now passed. One of these recommendations was that there be a general review of the Metropolitan system of government every five to ten years.

Accordingly, in view of the fact that it has been six years since a thorough review of the Metro government has been undertaken, it is appropriate to again review its structure and purpose. In this instance, and given the maturity of the Metropolitan federation, it is also appropriate that a review be initiated by the Metropolitan Council itself.

Prior to 1954, the Municipality of Metropolitan Toronto, as it is known today, was comprised of thirteen "autonomous" municipalities: one city, five townships, four towns and three villages. In the post war period, the

separateness of the Toronto area municipalities proved to be harmful to expansion and co-ordination of regional services and planning. Some of the specific problems encountered were as follows:

1. There were thirteen different governments in an area where there were no distinguishable physical boundaries. This added to the general government confusion.

2. There were serious variations in the resources available to the area municipalities. For example, only seven of the municipalities had direct access to Lake Ontario. The other six had to contractually arrange to "buy" water from the seven for drinking purposes.

3. Tax resources were also inequitably distributed among the municipalities. This was due to variations in assessment practices and the different ratios of residential to industrial and commercial property among the municipalities.

4. Municipalities were faced with increasing demand for capital construction, especially schools. Because of the disproportionate financial resources mentioned above, capital development and quality of services differed greatly from municipality to municipality.

The establishment of the Metropolitan Toronto federation in 1954 was intended to alleviate the aforementioned problems. Bill 80, an Act to Establish the Municipality of Metropolitan Toronto, was passed on April 15, 1953 and became effective on January 1, 1954.

Generally, the division of powers between the Metropolitan government and the area municipalities was such that the Metropolitan level had power to act in matters affecting the Metropolitan area as a whole. Matters of a purely local concern were left to the area municipalities. For example, Metro was charged with responsibility for capital financing, assessment of property, (which has since been assigned to the province) some utilities, public transportation, expressways and the development of regional parks. One of the most significant powers given to the Metropolitan government was the responsibility for capital financing. By combining the tax base of the City of Toronto with that of the suburban communities and by incorporating all municipal debt obligations into the Municipality of Metropolitan Toronto, money for capital works could be borrowed by Metro at favourable interest rates because of reduced risk; the financial burden of capital development could be spread more evenly among area municipalities; and major public improvements could be regionally planned and co-ordinated.

In later years more powers and responsibilities were transferred from the local municipalities to the Metropolitan level. In 1957 the local police forces were amalgamated into the Metropolitan Toronto Police Department. Also in 1957, Metro took over responsibility for the licensing function. In 1967 the area municipalities were consolidated into the City of Toronto and five boroughs: North York, Scarborough, Etobicoke, East York, and York.

In that same year, Metro took over responsibility for raising money for the local school systems through implementation of the Metropolitan education levy. In 1967, Metro assumed responsibility for municipal welfare. This

included payment of the local share of General Welfare Assistance as well as assessment and approval of applications for welfare from Metro residents. Metro also assumed responsibility for the disposal of refuse and industrial wastes while refuse collection remained a local responsibility.

From its inception in 1954 the Metropolitan Toronto government has grown in size and scope well beyond the original intent of the federation concept. It has grown from being an entity to promote and co-ordinate regional development and growth to being a major supplier of vital government services to the residents of Metro Toronto. At present, Metro's operating budget, excluding education, exceeds one billion dollars annually.

2. WEAKNESSES OF THE EXISTING STRUCTURE

As illustrated earlier, the Metropolitan Toronto government has expanded well beyond its original intent in jurisdictional terms. For this reason, it is important to ensure that the structural and electoral aspects of this government remain relevant and responsible. This existing structure must be examined especially in terms of its accountability to the taxpayers it serves.

Some of the major criticisms of the Metro Toronto government are as follows:

1. Decisions taken by the Metropolitan government are not subject to direct electoral accountability, but rather an indirect accountability. This is contrary to the democratic principle which requires that those who govern and expend tax dollars should be directly accountable for their decisions.

2. Because membership on Metro Council is a function of election to a local council, Metropolitan-wide issues are rarely given a Metropolitan-wide perspective in debate during electoral campaigns. While Metropolitan issues are indeed debated, it is frequently from a local perspective that the boundaries of the debate are drawn. This deprives the larger community of focussed debate over its wider concerns; is harmful to our tradition of promoting public involvement in government; and tends also to reinforce the psychological distance from the Metro government that most voters experience.

3. The indirect and confusing ways in which Metro Councillors are selected only adds to the general lack of understanding of people regarding the functions and responsibilities of the Metro government. There are presently a variety of ways by which Metro Councillors are selected including one's status as Mayor or Controller, one's status as the recipient of the most votes per ward and one's appointment by a local Council.

4. The requirement for service on both a local and Metropolitan Council is difficult from a time perspective. A 1977 Provincial Government report on the Robarts Commission indicated that individual politicians may be spending up to two-thirds of their time on local issues.[1] The important consequence of this dual responsibility is not only the burden placed on the individual politician but, more importantly, that the Metro government does not receive the degree of attention it should, commensurate with the importance of Metropolitan duties.

Of all the criticisms of the existing structure of the Metro Toronto government, the accountability issue is the most compelling, especially in light of considerations concerning formally responsible government. According to the same Government report, as noted above, the most significant feature of a responsible, democratic society is that:

> "...those who govern are elected to office and are accountable for their actions; that we are not governed...through remote and confused realms of responsibility that would frustrate effective assessment of responsibility and action taken."[2]

All of the aforementioned criticisms point to the fact that the Metro Toronto government does not fit the classic definition and ideal of formally responsible government. It is primarily for this reason that a restructuring of the Metro government must be considered. Essentially there are three options for the restructuring of Metro Toronto. They are amalgamation, dissolution, and a reformed federation.

3. OPTIONS FOR RESTRUCTURING METRO

A. AMALGAMATION

The first option for the restructuring of Metropolitan Toronto is amalgamation of the member municipalities into one jurisdiction, a super city. This structure presently exists in the City of Winnipeg, Manitoba.

The Act providing for the unification of Winnipeg was passed on January 1, 1972. It created one city, one council and one mayor out of what was formerly Metropolitan Winnipeg. The new city was organized into 50 wards (since reduced to 29), each represented by a single councillor. The wards were small, with populations of approximately 10,000 persons.

Two key parts of the Winnipeg "unicity" concept were the community committees and the resident advisory groups (RAG'S). Three to four councillors served on each community committee. These committees were given the power of local supervision and were the places of first hearing for zoning and planning initiatives. In each community committee area, resident advisory groups were established. These groups were composed of resident advisors who were elected by the citizens within each community committee area. The RAG'S met once a month with the community committee to give advice on local concerns.

The RAG'S and the community committees were established to ensure a certain level of citizen participation in the new structure and also to avoid the possibility that the residents would feel isolated and removed from the central governing body.

The ultimate result of the amalgamation of Winnipeg into one "super-city" was a shift in the political power base from the core to the outlying areas. This was due to the fact that the electoral criteria adopted was representation by population, and at the time of the

amalgamation, the suburban population was significantly larger than that of the old city.

The changed balance of power led to much resentment on the part of the old city and various ethnic and other minorities who felt that their interests were not being adequately represented on Council. These groups actually experienced declining political influence under the amalgamation.

It is not clear whether the level of citizen participation in decision making in Winnipeg has improved under amalgamation. A 1980 article on the Winnipeg experience by Lloyd Axworthy concluded that the community committees and the RAGs "played a useful but minor role in City government," and that "in no way did they provide an effective counterweight to the centralized administrative system, and their influence on major Council decisions has been limited".[3]

In an amalgamation, the level of citizen participation is a potential problem because the central governing body has jurisdiction over a larger population. The probability of citizen isolation from the government will, therefore, be greater.

Even when there is some decentralization in decision making, it still may not solve this problem of remoteness. For example, a recent informal sampling of the six community committees in Winnipeg indicates

that there is still no clear consensus that a formalized citizen participation process, which delegates the power of first hearing for zoning and planning initiatives to the community committees, has resulted in a level of citizen participation that is adequate to prevent citizen isolation from the central governing body.

Under amalgamation the population of the new Winnipeg was 564,473. The population of Metro Toronto is estimated to be approximately 2,142,000. It is reasonable to assume that the issue of citizen participation would be a greater problem in an amalgamated Toronto than in Winnipeg. As discussed earlier, a criticism of the existing Metropolitan Toronto government is its remoteness from citizens. This could be exacerbated under amalgamation.

As is frequently demonstrated, the local municipalities often have opposing views on local matters. To amalgamate these differing communities of interest may harm the achievement of a degree of representativeness that should be accorded to the smaller groups of interest within Metro.

The Robarts Commission on Metropolitan Toronto in 1977 also rejected amalgamation as an appropriate option for the restructuring of Metro. The Commission concluded that there was little public support in Metro for amalgamation and that it "inevitably would decrease the sensitivity of the entire system to issues and concerns of a very local nature."[4]

I do not believe that amalgamation is a realistic option for the restructuring of Metropolitan Toronto.

B. DISSOLUTION

Theoretically, a second option is the dissolution of the Metropolitan federation, or a "back to basics" approach. While this option has been the subject of some debate in the Regional Municipalities of Hamilton-Wentworth and Waterloo in recent years, it is not a viable option for Metropolitan Toronto.

Dissolution would involve the reassignment to the area municipalities of all authority currently exercised by the Metropolitan Toronto government. Provision of services such as policing, municipal welfare, ambulance services, water purification and transit would become the responsibility of the local municipalities alone and would be extremely costly. In financial terms alone, dissolution of Metropolitan Toronto is not realistic.

It is my view that the Metropolitan federation has served Metropolitan Toronto well since 1954. The benefits of this form of government have far outweighed the disadvantages, and any dissolution option should not be pursued.

C. A REFORMED FEDERATION

The reformed federation proposal assumes that a federated system is the best structural model for Metropolitan Toronto and raises questions as to how Metro can be made to operate better and be more accountable to its taxpayers. This is by far the best solution to the problems facing the system. Under the reformed federation proposal there are several issues which must be resolved. They are: areas of jurisdiction, electoral issues, and the protection of local interests.

(i) Areas of Jurisdiction

At present the local municipalities and the Metropolitan government each have areas of exclusive jurisdiction and areas of shared jurisdiction. For example, the area municipalities have exclusive jurisdiction for fire protection, the enforcement of building and maintenance codes, demolition control, and the selling of hydro-electric power. The exclusive areas of jurisdiction of Metro include transit, police, capital financing, the licensing function, ambulance service, and the administration of general welfare. Other areas of municipal responsibility are shared. For example, in the area of waste management, the local municipalities are responsible for collection of refuse and Metro is responsible for waste disposal. Another area of shared jurisdiction is planning. Local plans are subject to review by Metro and conformity to the Metropolitan Official Plan.

The present division of jurisdiction is now significantly different from that which existed at Metro's inception. As documented earlier in this paper, Metro was originally accorded far less responsibility than it presently has. Since 1954, the trend has been that powers have been transferred from the area municipalities to the Metropolitan government, and no significant powers have been transferred back to the area municipalities.

The slow erosion of local authority, given the current structure of the Metropolitan government, means that more decisions will be made without direct accountability. It also means that direct contact by citizens with their decision-makers may be reduced, which in turn would threaten citizen involvement in local government itself.

Accordingly, no further powers or responsibilities should be transferred from the local municipalities to the Metropolitan level without the unanimous consent of the area municipalities.

(ii) Electoral Issues

The electoral system is an important feature of any governmental structure for it is this system which ultimately determines the accountability, the responsiveness, and the representativeness of the government. In short, the electoral system determines just how democratic a government will be.

I believe that the electoral system should seek to accomplish the following: clarity, accountability, equality of representation and effective government in terms of balancing the workload between the various elected officials. This proposal for a reformed federation attempts to achieve this through the direct election of Metro Councillors.

Under a system of direct election, Metro Councillors would be elected by the citizens of Metro Toronto for that purpose, and not by virtue of their running for election in an area municipality. On election day a citizen would be able to choose his or her Metro Council representative separately from his or her local representative. Citizens would know who they are voting for to sit on Metro Council when they cast their ballot. They would, therefore, also know who to hold accountable for decisions taken by Metro Council. Clarity and accountability are thus achieved.

The size of Metro Council is also an important electoral question in that the efficient functioning of the Council itself may be harmed by too many members. Accordingly, I propose that under a system of direct election, Metro Council should be no larger than it presently is. In fact it should be smaller - preferably having between 25 to 35 members. The criteria for establishing Metropolitan wards would continue to be representation by population.

I would anticipate that a Metropolitan ward would encompass two or three local wards on average, and that, for the sake of administrative efficiency, the delineation of Metropolitan wards should coincide with the boundaries of groupings of existing local wards, to the extent possible.

If direct election to Metro Council were to be instituted, there are several concerns which would have to be addressed. The first of these concerns is whether Metro Councillors would also sit on the local Council for the area municipality in which their ward is situated. The Robarts Commission on Metropolitan Toronto recommended that Metro Councillors also serve as full members of their local Councils. It was argued that "this will ensure that they have an awareness of the people, problems, and priorities involved in the local municipalities and can in turn provide a voice for Metro within the Councils of those municipalities."[5] It is argued, however, that such a provision would be redundant in that in order to win election to Metro Council,

Councillors would have had to demonstrate to the voters in their Metro ward that they would represent their interests on that body. It is also argued that if Metro Councillors were full members of their local Council, there would continue to be a confusion amongst voters as to accountability and responsibility. Further, as noted earlier, the Robarts Commission concluded that there is not enough time in the day for one person to adequately fulfill both functions.

Accordingly, I recommend that directly elected Metro Councillors not be expected to be members of local Councils.

Another concern that must be addressed if direct election of Metro Councillors is implemented is the question of whether the local Mayors should continue to be full members of Metro Council. As with the situation of Metro Councillors, it could be argued that the Mayors' presence on Metro Council would be redundant since Metro Councillors would already be representing the interests of their wards. However, this is not a parallel situation. The Mayors are representatives of their entire municipality and the whole array of interests and concerns found in the municipality. The presence of the local Mayors on Metro Council would ensure a degree of co-ordination between the Metro government and the local governments, without creating public confusion as to accountability.

Another major electoral issue is the method of selecting the Chairman of Metropolitan Toronto Council. At present the Chairman is selected by Metro Council at the beginning of the municipal term. Metropolitan Council elects "as Chairman, one of the members of the Metropolitan Council or any other person, to hold office for the term of the Council".[6] Except for Metro's first Chairman, who was appointed by the Province, the experience has been that successive Chairmen have first been Members of Metro Council. If the Chairman is selected from among the Members of Metro Council, he/she is then considered to have automatically resigned from Metro Council and his/her local Council.

As the only full time member of the Metropolitan Toronto government, the Chairman is charged with a unique responsibility for Metropolitan policy and administration. However, the Chairman is only formally accountable to the 39 other Metro Councillors who are afforded the opportunity of choosing him or her.

There are two options whereby the accountability of the Metro Chairman may be increased. They are: the direct election of the Chairman at large in the Metropolitan municipality, or a legislative requirement that Metro Council select a Chairman from among its elected ranks.

Initially, the first option, the direct election of the Chairman by all Metro Toronto electors, appears to be the best in terms of increasing the accountability of the Chairman. However, there is a significant

disadvantage to this option. The costs of running a Metro-wide campaign for Chairman would be very high. Access to campaign funds would be a crucial qualification for potential candidates. This, in the absence of a political party system at the municipal level, would have the effect of severely limiting the number of potential candidates for the office of Metro Chairman.

The second option, that there be a legislative requirement that Metro Council select the Chairman from among its ranks, is the most desirable in terms of electoral accountability and the need to ensure that limited financial resources do not become an obstacle to candidacy. I believe the Chairman should first have to be elected to Metro Council as a representative for a particular Metropolitan ward.

Such a requirement is neither an unusual nor onerous requirement of a head of government. The Canadian parliamentary practice at both the Federal and Provincial government levels is such that the government leader maintains local accountability and responsibility by virtue of local election as well as performing a leadership role in government. The practice is a good one and should be required at the Metropolitan level.

(iii) Protecting Local Interests

Given that a directly elected Metro Council will be largely removed from the purview of the area Councils, and that the Metro level of government has greatly increased its areas of jurisdiction since its inception, many decisions made by a directly elected Metro Council will continue to have an impact on the local municipalities, which in turn, may affect their unique characteristics. It is for this reason that I believe the area municipalities should have some means to appeal decisions taken at the Metro level which affect them in a significant way.

Illustrative of the need to put in place a special provision that should be made for the protection of local interests in all area municipalities, is my concern for two issues pertaining to the City of Toronto.

First, since 1954, there has been a widening gap between the City of Toronto financial contribution to Metro on the one hand, and the City of Toronto percentage representation on Metro Council on the other. During the period 1970-1983, the City's financial contribution to Metro remained relatively stable, falling from 43 percent to 41 percent. During the same period, however, City percentage representation on the Metro Council fell noticeably from 37 percent to 30 percent. The gap between political representation and financial contribution is

widening, and the logical extension of this trend is that the City of Toronto will retain proportionally less control over its financial contribution as the suburban population increases.

While representation by population is a principle which should be adhered to, some account must also be made of the principle of financial responsibility resting in the hands of the contributor of those finances. It is my view that the time has come for a means to redress the widening imbalance in these two principles.

Second, the central core of the Metropolitan region provides a unique and extremely valuable contribution to the Metropolitan community, and it would be to the detriment of the federation if that unique contribution did not have a means of political representation beyond the simple tool of representation by population.

Specifically, the City of Toronto is the major focus of employment in Metro, and thereby the focus of significant pressures of redevelopment, transit and roadway proposals, traffic, noise and pollution.

Toronto is characterized by a grid layout and relatively narrow streets which must provide both regional traffic movement and the degree of quiet expected in residential neighbourhoods.

The historical heritage of buildings and places within Metro is largely concentrated in the City of Toronto and special means must be available to both preserve it and yet provide for desirable redevelopment.

Many of the major Metropolitan cultural institutions and tourist attractions are located in Toronto. There is a continuing need to balance their regional benefits against the concerns of their nearby residents.

Accordingly, I propose that a legislated procedure be put in place which would permit any local Council to appeal those decisions of the Metropolitan Council which are deemed by the local municipality to be of significance to it. The decision to appeal should be required to be taken within a specified time period, and matters which are eligible for appeal should be limited by a set of criteria to be determined in discussion between the Metro and local levels of government. In the City of Toronto, I would expect that the right to appeal would extend to decisions of the Metropolitan Council regarding land use plans within the City, expressways, road and transit proposals, and regional assessment matters, to name a few. In the event of a dispute between a local Council and the Metro Council as to whether a decision is eligible for appeal, the Provincial Government would decide whether the decision meets the set of criteria for appeal.

Of critical importance in this proposal is that the principle of political accountability should be extended to the appeal process. Appeal would not

be taken to unelected administrative tribunals such as the Ontario Municipal Board, but rather to either the Ontario Cabinet, a Committee of that Cabinet, or an all-party tribunal of the Ontario Legislature.

4. SUMMARY AND RECOMMENDATIONS

On January 1, 1984, the Metropolitan Toronto government was thirty years old. Begun in 1954 as an innovative experiment in municipal government, Metro has grown into a firmly established, powerful government with an annual operating budget, excluding education, of over one billion dollars. In spite of its enviable record, the Metropolitan government has changed in meaningful ways since its inception, and these changes have brought us to a point where a fresh look at the federation is both necessary and useful.

There has been a gradual but significant shift in jurisdiction away from the local municipalities into the hands of the Metro government. In turn, this expanded jurisdiction raises legitimate criticisms of the more basic elements of the upper tier of the federation itself, including electoral issues, structural issues, and a perception that the operations of a government of Metro's size and authority should more closely embrace accepted principles of electoral accountability if it is to retain or expand its authority.

I have examined the various options for the restructuring of Metro including amalgamation, dissolution, and a reformed federation. For reasons discussed earlier in the report, amalgamation and dissolution have been rejected.

I support a reformed federation which would reflect the following principles:

1. The Municipality of Metropolitan Toronto Act should be amended to require that no further powers or responsibilities are to be transferred from the area municipalities to the Metropolitan government without the unanimous consent of the area Councils;

2. Metro Councillors should be directly elected and should not be expected to sit on the Councils of the area municipalities;

3. Metro Council should be smaller. Preferably, it would have between 25 to 35 members;

4. Local Mayors should sit on the Metropolitan Council;

5. The Metropolitan Chairman should be an elected representative of a Metropolitan ward and should be selected by the Members of Metropolitan Council;

6. The area municipalities should, within a specified time period, have the right to appeal, to either the Provincial Cabinet, a Committee of Cabinet, or an all-party tribunal composed of elected members of the Provincial Legislature, those Metropolitan decisions in areas which are identified as having a significant impact on local interests.

While I believe that these proposals will best help to resolve the problems of the federation and renew it for the 1980's and beyond, there are other proposals for the restructuring of Metro which merit careful review as well. In the past, the Province has taken the initiative in reviewing the Metro Toronto government. It established two Royal Commissions on Metro, one chaired by Dr. H. Carl Goldenberg and the other chaired by former Premier, the late John Robarts. The Robarts' Commission recommended that the Metropolitan Toronto government should be reviewed every 5 to 10 years and it has now been 6 years since the Robarts Commission reported. It is time we reviewed the system again. I believe that Metropolitan Toronto has reached a point of maturity such that we should now take the initiative to review and renew ourselves.

Accordingly, I recommend that:

(1) A Metro Review Committee be established by Metro Council to study the possibilities for reforming the Metropolitan Toronto government, such Committee to include the Chairman and two representatives of each of the area municipalities.

(2) That the Chief Administrative Officer be requested to bring forward appropriate terms of reference and staff requirements for such Committee, including the proposals contained herein.

(3) That, following receipt of the terms of reference, each area municipality appoint two members from Council to serve on the Committee.

(4) That the Metropolitan Chairman act as Chairman of the Committee.

(5) That the Committee table its findings at the Metropolitan Executive Committee, for review by the area municipalities, by July 1, 1984.

5. REFERENCES

1. ----Government Statement on the Review of Local Government in the Municipality of Metropolitan Toronto (Ontario: Ministry of Treasury and Economics, 1977); pp. 5-6. The report noted that membership on Metro Council and a local Council entailed about 53 hours a week for Aldermen; 59 hours a week for Controllers and Aldermen who also serve on their local Executive; and 73 hours a week for those who serve on the Metropolitan Executive Committee.

2. Ibid., pp. iii

3. Lloyd Axworthy "The Best Laid Plans Oft Go Astray" in M.O. Dickerson, S. Drabek and J.T. Woods (Eds.) Problems of Change in Urban Government (Waterloo: Wilfred Laurier University Press, 1980); p.117

4. The Royal Commission on Metropolitan Toronto Metropolitan Toronto: A Framework for the Future The Honourable John P. Robarts, Commissioner, June 1977; p.42

5. Ibid., p.87

6. The Municipality of Metropolitan Toronto Act, Section 5, Subsection 5. RSO 1980.